



Department of Justice

UNITED STATES ATTORNEY DEBORAH R. GILG
DISTRICT OF NEBRASKA

**OWNER OF SCOTTSBLUFF AND SIDNEY CAR DEALERSHIPS SENTENCED
FOR SOCIAL SECURITY FRAUD**

May 24, 2011

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United States Attorney Deborah R. Gilg announced that Timothy G. Reganis, 51, of Salt Lake City, Utah, and Bayard, Nebraska, was sentenced on May 24, 2011, to 1 year of probation by United States District Judge Richard G. Kopf, following his conviction for social security fraud. Reganis had previously been found guilty following a four day jury trial in February, 2011. In addition to the term of probation, Reganis was ordered to pay a \$30,000 fine and \$44, 614.00 in restitution, jointly with his co-defendant, Gary G. Steele. Steele, previously pled guilty to the same charge and testified at trial against Reganis.

Reganis is the owner of Reganis Auto car dealerships in Scottsbluff and Sidney, Nebraska. The conviction of Reganis is a result of his fraudulently paying wages to one of his salesmen, Gary G. Steele, in the name of a third party who was never an employee of Reganis Auto. Although some checks were issued to Steele directly, the majority of his earnings were fraudulently paid in the name of the third party which enabled Gary Steele to conceal his income from the Social Security Administration. From 2006 through 2009, Steele was able to collect \$51,776 in early retirement benefits from social security to which he was not entitled, had the true level of his income been known.

This case was investigated by the Office of the Inspector General for the Social Security Administration.

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